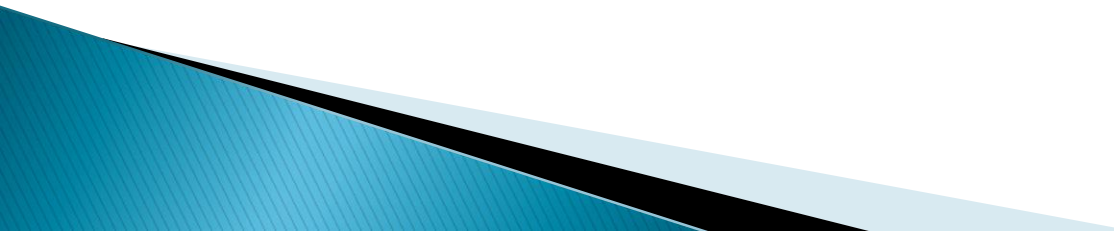


# Insurance Benefits Upon Retirement

Prepared for Tucson Supplemental Retirement System (TSRS) Seminars 2018

# Overview of Things to Consider

- ▶ Medicare Eligibility
    - You
    - Your dependents
  - ▶ Current plan elections
  - ▶ Life Insurance
  - ▶ When changes are allowed
  - ▶ Rates
  - ▶ Benefits and rates are not guaranteed and are subject to change in the future
- 

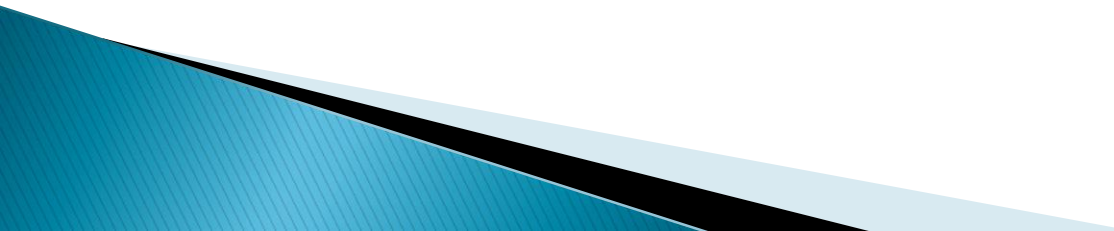
# Medicare Eligibility

- ▶ Retirees may continue medical coverage until age 65 (normal Medicare eligibility)
  - Retirees over age 65 may continue coverage for non-Medicare eligible dependents by paying 100% of the premium.
    - Deductibles start over
    - HRA funds do not transfer
- ▶ If any dependents of retirees are eligible for Medicare, regardless of age or enrollment in Medicare, they may not be covered on the City medical plan
- ❖ If a retiree is eligible for Medicare *before* age 65, City medical pays as secondary to Medicare; retiree must enroll in both Medicare A & B and notify the Benefits Office of Medicare eligibility. (Please see the Benefits Office for details.)

# Current Plan Elections

- ▶ At the time of retirement, retirees may continue medical (if under age 65), dental, and vision plans in which they are already enrolled
  - Employee Assistance Program (EAP), Long term disability, Flexible Spending Accounts, and Colonial plans end on the last date of employment
    - Contact ASI Flex (800-659-3035) regarding deadlines/requirements for FSA claims
    - Contact Colonial (888-433-8144) for options regarding continuing your voluntary benefits
- ▶ HSA participants:
  - City contributions into your HSA Bank account stop when you retire
  - You pay all HSA Bank fees
  - Medical plan deductibles/coinsurance don't change
  - HSA isn't "creditable coverage" for Medicare
  - City will switch your coverage to an eligible option (currently HRA) on July 1 following your retirement date
- ▶ Retiree dental and vision: Participants must have continuous coverage

# Life Insurance

- ▶ Basic Retire Life Insurance is \$7,500. No cost to the Retiree.
    - Be sure to keep your beneficiary up-to-date.
  - ▶ Supplemental Life Insurance may be ported or converted upon retirement
    - Price is higher and continues increasing (5-year age bands)
    - Coverage amount reduces at age 65 to 65% of the value of the policy
    - Coverage ceases at age 70
- 

# When changes are allowed

- ▶ Retiree premiums are paid post-tax; therefore, coverage can be dropped at the end of any designated month
- ▶ Retirees have an Open Enrollment period to request changes to plans\*
- ▶ Retirees may be allowed to add a person to coverage due to a life event (marriage, birth/adoption, change in dependent's insurance coverage)\*. Deadlines exist.
- ▶ For network plans (i.e., HMO), you must live in a network zip code. If you move out of the network, a change in plan may be allowed. Deadlines exist.

\* Continuous coverage provisions for dental/vision apply



# Rates (2018 - 2019 plan year)

## Retirees with Flat Dollar City Subsidy: Medical Rates (Monthly)

<i>CIGNA HMO</i>			
	Retiree	City	Total
Retiree Only	<b>\$384.97</b>	\$200.00	\$584.97
Retiree + Spouse	<b>\$853.40</b>	\$375.00	\$1,228.40
Retiree + 1 Child	<b>\$725.97</b>	\$375.00	\$1,100.97
Retiree + More than 1 Child	<b>\$625.97</b>	\$475.00	\$1,100.97
Full family	<b>\$1,280.01</b>	\$475.00	\$1,755.01
<i>CIGNA HRA</i>			
Retiree Only	<b>\$239.03</b>	\$200.00	\$439.03
Retiree + Spouse	<b>\$546.90</b>	\$375.00	\$921.90
Retiree + 1 Child	<b>\$451.04</b>	\$375.00	\$826.04
Retiree + More than 1 Child	<b>\$351.04</b>	\$475.00	\$826.04
Full family	<b>\$842.43</b>	\$475.00	\$1,317.43

## Retiree Dental Rates (Monthly)

<i>CIGNA DHMO</i>		<i>CIGNA PPO</i>	
Retiree Only	<b>\$8.51</b>	Retiree Only	<b>\$36.88</b>
Retiree + 1	<b>\$16.17</b>	Retiree + 1	<b>\$72.29</b>
Retiree + 2 or more	<b>\$20.77</b>	Retiree + 2 or more	<b>\$106.53</b>

## Retiree Vision (Quarterly)

<i>AVESIS</i>	
Retiree Only	<b>\$15.15 per quarter</b>
Retiree + 1	<b>\$26.61 per quarter</b>
Retiree + 2 or more	<b>\$39.15 per quarter</b>

Retirees pay Avesis directly for vision.

# Thank you

Questions?

The Benefits Office can be reached at:

[BenefitQuestions@tucsonaz.gov](mailto:BenefitQuestions@tucsonaz.gov)

or 520-791-4597

Find more information at:

[www.tucsonaz.gov/insurance](http://www.tucsonaz.gov/insurance)

